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HARVEY HILL, Publisher

ARCHIE MOUNTAIN, Managing Editor

MARK WALKER, General Manager

PATRICK O' GRADY, Local News Editor

A realistic budget needed

Last week's three-part series on the county nursing home in Sullivan County, now called Sullivan County Health Care, traced the history of caring for those who are either without the means or the ability to care for themselves.

The one certainty about the future of caring for the elderly that emerged from the story is that the cost will keep going up. And with baby boomers now beginning to retire, it is only a matter of time before the population of those in their 80s and 90s will increase dramatically.

While these rising cost are a problem across the nation, not every private and public organization charged with caring for the elderly suffers from the same chronic deficits that we have been seeing for several years in Sullivan County.

Surpluses in the late 1990s turned into deficits beginning in 2000 with a \$1.5 million shortfall followed two years later by a \$1.9 million deficit in 2002. For 2007, the deficit was \$2.2 million and things are not looking much better for 2008.

Instituting a spending freeze of about \$800,000 on all departments, including the nursing home, the commissioners will only, in our view, ease the deficit, not fix the problem going forward. Adding to the problem is the reduction of per day Medicaid payments from the state from \$155 to \$144, which will create an estimated revenue shortfall of \$32,000 per month.

No one, from the commissioners to the county delegation, has instilled confidence in the county taxpayers that a permanent solution to return the county home to fiscal health is in the offing. The 2007 deficit we have already been told will be paid for in county taxes this year, which is not solving anything.

The cause of the deficit, we have been told, relates to the inability of the nursing home to fill all its 156 beds. When the census drops, so do revenues but expenses don't. In the last few years, the county has not had full capacity. In 2006 just 144 beds were filled and presently, about 130 beds are full.

Staffing levels on the other hand went up from 191 in 2005 to 222 in 2006. Private business does not add employees when business contracts, so why would the nursing home?

Unrealistic budgeting on the revenue side that projects an unachievable census figure almost guarantees a deficit. The problem is compounded by a lack of serious attention to the expense side. When the population doesn't match projections it seems logical that the home's biggest expense, labor, would be reduced. But that, commissioners have said, will not happen.

The commissioners have failed in their duty to vigorously address the county home's chronic deficit with more realistic revenues estimates and then making the difficult, but necessary, cuts to staffing to hold down expenses when revenues do not meet projections. Until that happens, we fear this deficit problem will just keep repeating itself.